

## Return of Organization Exempt From Income Tax

2008

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code  
(except black lung benefit trust or private foundation)

► The organization may have to use a copy of this return to satisfy state reporting requirements.

Open to Public Inspection

For the 2008 calendar year, or tax year beginning

7/01

, 2008, and ending

6/30

, 2009

## B Check if applicable

- Address change  
 Name change  
 Initial return  
 Termination  
 Amended return  
 Application pending

Please use IRS label or print or type  
See specific instructions

THE EVAN B. DONALDSON ADOPTION  
INSTITUTE, INC.  
120 EAST 38TH STREET  
NEW YORK, NY 10016

F Name and address of principal officer ADAM PERTMAN  
SAME AS C ABOVE

I Tax-exempt status  501(c) (3) ▶ (insert no.)  4947(a)(1) or  527

J Website: ► N/A

K Type of organization  Corporation  Trust  Association  Other ►

L Year of Formation 1996

M State of legal domicile NY

## Part I Summary

1 Briefly describe the organization's mission or most significant activities TO PROVIDE LEADERSHIP THAT IMPROVED ADOPTION LAWS, POLICIES AND PRACTICES THROUGH SOUND RESEARCH, EDUCATION AND ADVOCACY IN ORDER TO BETTER THE LIVES OF EVERYONE TOUCHED BY ADOPTION.

- 2 Check this box ►  if the organization discontinued its operations or disposed of more than 25% of its assets
- 3 Number of voting members of the governing body (Part VI, line 1a) 3 19
- 4 Number of independent voting members of the governing body (Part VI, line 1b) 4 19
- 5 Total number of employees (Part V, line 2a) 5 12
- 6 Total number of volunteers (estimate if necessary)
- 7a Total gross unrelated business revenue from Part VIII, line 12, column (C) 7a 0.
- b Net unrelated business taxable income from Form 990-T, line 34 7b 0.

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	352,309.	702,820.
9 Program service revenue (Part VIII, line 2g)	18,026.	14,979.
10 Investment income (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11a)	23,460.	6,422.
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11a)	395,799.	19,193.
12 Total revenue — add lines 8 through 11 (must equal Part VIII, column (A), line 12)	788,820.	743,414.

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
14 Benefits paid to or for members (Part IX, column (A), line 4)		
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	409,696.	394,844.
16a Professional fundraising fees (Part IX, column (A), line 11e)		
b Total fundraising expenses (Part IX, column (D), line 25) ► 176,412.		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	388,714.	278,250.
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	809,481.	673,094.
19 Revenue less expenses. Subtract line 18 from line 12	-20,661.	70,320.

	Beginning of Year	End of Year
20 Total assets (Part X, line 16)	688,605.	729,599.
21 Total liabilities (Part X, line 26)	74,978.	45,653.
22 Net assets or fund balances Subtract line 21 from line 20	613,627.	683,946.

## Part II Signature Block

Sign Here <input checked="" type="checkbox"/>	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge	Date 5-14-10
	► <i>Tara L. Eisenkraft</i> Signature of officer	Type or print name and title <i>Assistant Secretary and Associate Director</i>

Paid Preparer's Use Only	Preparer's signature ► <i>GARY S. EISENKRAFT, CPA</i>	Date 5/14/10	Check if self employed ► <input checked="" type="checkbox"/> N/A	Preparer's identifying number (see instructions) N/A
	Firm's name (or yours if self-employed), address, and ZIP + 4 ► 271 MADISON AVENUE SUITE 1105 NEW YORK, NY 10016	EIN ► N/A	Phone no ► 212-689-2655	

May the IRS discuss this return with the preparer shown above? (see instructions)

 Yes  No

BAA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

TEEA0112L 12/22/08 Form 990 (2008)

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**Part III Statement of Program Service Accomplishments (see instructions)**

1 Briefly describe the organization's mission:

- TO PROVIDE LEADERSHIP THAT IMPROVED ADOPTION LAWS, POLICIES AND PRACTICES-THROUGH SOUND RESEARCH, EDUCATION AND ADVOCACY - IN ORDER TO BETTER THE LIVES OF EVERYONE TOUCHED BY ADOPTION.**

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

 Yes  No

If 'Yes,' describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

 Yes  No

If 'Yes,' describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

**4a** (Code ) (Expenses \$ 431,669. including grants of \$ ) (Revenue \$ )  
**SEE SCHEDULE O**

**4b** (Code ) (Expenses \$ ) including grants of \$ ) (Revenue \$ )

**4c** (Code ) (Expenses \$ ) including grants of \$ ) (Revenue \$ )

**4d** Other program services (Describe in Schedule O.)

(Expenses \$ ) including grants of \$ ) (Revenue \$ )

**4e Total program service expenses ► \$ 431,669.** (*Must equal Part IX, Line 25, column (B)*)

**Part IV Checklist of Required Schedules**

	<b>Yes</b>	<b>No</b>
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A	1 X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I	3 X	
4 <b>Section 501(c)(3) organizations</b> Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II	4 X	
5 <b>Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.</b> Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If 'Yes,' complete Schedule C, Part III		
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I	6 X	
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' complete Schedule D, Part II	7 X	
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III	8 X	
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV	9 X	
10 Did the organization hold assets in term, permanent, or quasi-endowments? If 'Yes,' complete Schedule D, Part V	10 X	
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If 'Yes,' complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	11 X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If 'Yes,' complete Schedule D, Parts XI, XII, and XIII	12 X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E	13 X	
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the U.S.?	14a X	
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If 'Yes,' complete Schedule F, Part I	14b X	
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If 'Yes,' complete Schedule F, Part II	15 X	
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If 'Yes,' complete Schedule F, Part III	16 X	
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If 'Yes,' complete Schedule G, Part I	17 X	
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II	18 X	
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III	19 X	
20 Did the organization operate one or more hospitals? If 'Yes,' complete Schedule H	20 X	
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If 'Yes,' complete Schedule I, Parts I and II	21 X	
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If 'Yes,' complete Schedule I, Parts I and III	22 X	
23 Did the organization answer 'Yes' to Part VII, Section A, questions 3, 4, or 5? If 'Yes,' complete Schedule J	23 X	
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? If 'Yes,' answer questions 24b-24d and complete Schedule K. If 'No,' go to question 25	24a X	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?	24d	
<b>25a</b> <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If 'Yes,' complete Schedule L, Part I	25a X	
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If 'Yes,' complete Schedule L, Part I	25b X	
<b>26</b> Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If 'Yes,' complete Schedule L, Part II	26 X	
<b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If 'Yes,' complete Schedule L, Part III	27 X	

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**Part IV Checklist of Required Schedules (continued)**

- 28** During the tax year, did any person who is a current or former officer, director, trustee, or key employee  
**a** Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If 'Yes,' complete Schedule L, Part IV
- b** Have a family member who had a direct or indirect business relationship with the organization? If 'Yes,' complete Schedule L, Part IV
- c** Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If 'Yes,' complete Schedule L, Part IV
- 29** Did the organization receive more than \$25,000 in non-cash contributions? If 'Yes,' complete Schedule M
- 30** Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If 'Yes,' complete Schedule M
- 31** Did the organization liquidate, terminate, or dissolve and cease operations? If 'Yes,' complete Schedule N, Part I
- 32** Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If 'Yes,' complete Schedule N, Part II
- 33** Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If 'Yes,' complete Schedule R, Part I
- 34** Was the organization related to any tax-exempt or taxable entity? If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1
- 35** Is any related organization a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' complete Schedule R, Part V, line 2
- 36** **Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? If 'Yes,' complete Schedule R, Part V, line 2
- 37** Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If 'Yes,' complete Schedule R, Part VI

	Yes	No
28a	X	
28b	X	
28c	X	
29	X	
30	X	
31	X	
32	X	
33	X	
34	X	
35	X	
36	X	
37	X	

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**Part V Statements Regarding Other IRS Filings and Tax Compliance**

		Yes	No
<b>1a</b> Enter the number reported in Box 3 of form 1096, Annual Summary and Transmittal of U.S. Information Returns Enter -0- if not applicable	<b>1a</b>	6	
<b>b</b> Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	<b>1b</b>	0	
<b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	<b>1c</b>	X	
<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	<b>2a</b>	12	
<b>2b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <i>Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)</i>	<b>2b</b>	X	
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	<b>3a</b>	X	
<b>b</b> If 'Yes' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O	<b>3b</b>		
<b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	<b>4a</b>	X	
<b>b</b> If 'Yes,' enter the name of the foreign country ► See the instructions for exceptions and filing requirements for <b>Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts</b>	<b>5a</b>	X	
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	<b>5b</b>	X	
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<b>5c</b>		
<b>c</b> If 'Yes,' to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	<b>6a</b>	X	
<b>6a</b> Did the organization solicit any contributions that were not tax deductible?	<b>6b</b>		
<b>b</b> If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not deductible?	<b>7a</b>	X	
<b>7</b> <b>Organizations that may receive deductible contributions under section 170(c).</b>	<b>7b</b>		
<b>a</b> Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?	<b>7c</b>	X	
<b>b</b> If 'Yes,' did the organization notify the donor of the value of the goods or services provided?	<b>7d</b>		
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	<b>7e</b>	X	
<b>d</b> If 'Yes,' indicate the number of Forms 8282 filed during the year	<b>7f</b>	X	
<b>e</b> Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<b>7g</b>	X	
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<b>7h</b>	X	
<b>g</b> For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	<b>8</b>		
<b>h</b> For all contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	<b>9a</b>		
<b>8</b> <b>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	<b>9b</b>		
<b>9</b> <b>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.</b>			
<b>a</b> Did the organization make any taxable distributions under section 4966?	<b>10a</b>		
<b>b</b> Did the organization make any distribution to a donor, donor advisor, or related person?	<b>10b</b>		
<b>10</b> <b>Section 501(c)(7) organizations.</b> Enter			
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12	<b>11a</b>		
<b>b</b> Gross Receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<b>11b</b>		
<b>11</b> <b>Section 501(c)(12) organizations.</b> Enter			
<b>a</b> Gross income from other members or shareholders	<b>12a</b>		
<b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them )	<b>12b</b>		
<b>12a</b> <b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?			
<b>b</b> If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year			

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Form 990 (2008)

**Part VI Governance, Management and Disclosure** (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

**Section A. Governing Body and Management**

For each 'Yes' response to lines 2-7b below, and for a 'No' response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O See instructions

- |    | Yes | No |
|----|-----|----|
| 1a | 19  |    |
| 1b | 19  |    |
| 2  | X   |    |
| 3  | X   |    |
| 4  | X   |    |
| 5  | X   |    |
| 6  | X   |    |
| 7a | X   |    |
| 7b | X   |    |
| 8a | X   |    |
| 8b | X   |    |
| 9a | X   |    |
| 9b |     |    |
| 10 | X   |    |
| 11 | X   |    |
- 1a Enter the number of voting members of the governing body  
 b Enter the number of voting members that are independent
- 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?
- 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?
- 4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? SEE SCH O
- 5 Did the organization become aware during the year of a material diversion of the organization's assets?
- 6 Does the organization have members or stockholders?
- 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?  
 b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?
- 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following  
 a The governing body  
 b Each committee with authority to act on behalf of the governing body?
- 9a Does the organization have local chapters, branches, or affiliates?  
 b If 'Yes,' does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?
- 10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990 SEE SCHEDULE O
- 11 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O

**Section B. Policies**

- |     | Yes | No |
|-----|-----|----|
| 12a | X   |    |
| 12b | X   |    |
| 12c | X   |    |
| 13  | X   |    |
| 14  | X   |    |
| 15a | X   |    |
| 15b | X   |    |
| 16a | X   |    |
| 16b |     |    |
- 12a Does the organization have a written conflict of interest policy? If 'No,' go to line 13  
 b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?  
 c Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done SEE SCHEDULE O
- 13 Does the organization have a written whistleblower policy?
- 14 Does the organization have a written document retention and destruction policy?
- 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?  
 a The organization's CEO, Executive Director, or top management official?  
 b Other officers of key employees of the organization? SEE SCHEDULE O  
 Describe the process in Schedule O (see instructions)
- 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?  
 b If 'Yes,' has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

**Section C. Disclosures**

- 17 List the states with which a copy of this Form 990 is required to be filed ► NY CA
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply  
 Own website       Another's website       Upon request
- 19 Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public SEE SCHEDULE O
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ► DOLPHIN RESOURCE GROUP 114 WEST BOYLSTON STREET WORCESTER MA 01606

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors****Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed Use Schedule J-2 if additional space is needed

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) or more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees; and former such persons

Check this box if the organization did not compensate any officer, director, trustee, or key employee

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)					(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		or director	Individual trustee	Institutional trustee	Officer	Key employee			
SUSAN NOTKIN									
PRESIDENT	3						0.	0.	0.
SUSAN SCHOON									
VICE PRESIDENT	2						0.	0.	0.
FRED GREENMAN JR.									
TREAS./FIN. COM	3						0.	0.	0.
LYNN C. FRANKLIN									
SECRETARY	2						0.	0.	0.
ADAM PERTMAN									
EXECUTIVE DIREC	40				X		130,055.	0.	0.
BRUCE A BOYER									
DIRECTOR	3						0.	0.	0.
ANNE CHAMBERS									
DIRECTOR	2						0.	0.	0.
DOUG FLEMING									
DIRECTOR	2						0.	0.	0.
KATHLEEN HRICIK									
DIRECTOR	2						0.	0.	0.
JURATE KAZICKAS									
DIRECTOR	2						0.	0.	0.
KATHARINE LEGG									
DIRECTOR	2						0.	0.	0.
LESLIE PATE MACKINNON									
DIRECTOR	2						0.	0.	0.
SANDRA MCMANUS									
DIRECTOR	4						0.	0.	0.
RUTH MCROY, PH.D.									
DIRECTOR	3						0.	0.	0.
DOUGLAS MEHNE									
DIRECTOR	3						0.	0.	0.
ORONDE MILLER									
DIRECTOR	2						0.	0.	0.
JENNIFER EVANS MONTGOMERY									
DIRECTOR	2						0.	0.	0.

**Part VII** **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (cont.)**

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**Section B. Independent Contractors**

- 1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

- 2** Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization ► 0

**Part VIII Statement of Revenue**

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
<b>CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS</b>	<b>1a</b> Federated campaigns <b>1b</b> Membership dues <b>1c</b> Fundraising events. <b>1d</b> Related organizations <b>1e</b> Government grants (contributions) <b>f</b> All other contributions, gifts, grants, and similar amounts not included above <b>g</b> Noncash contribns included in lns 1a-1f: <b>h Total.</b> Add lines 1a-1f	<b>1a</b> <b>1b</b> <b>1c</b> 303,512. <b>1d</b> <b>1e</b> <b>1f</b> 399,308. <b>g</b> \$ <b>h Total.</b> Add lines 1a-1f			
<b>PROGRAM SERVICE REVENUE</b>	<b>2a MISCELLANEOUS</b>	<b>Business Code</b>	<b>14,979.</b>		<b>14,979.</b>
	<b>b</b> <b>c</b> <b>d</b> <b>e</b> <b>f</b> All other program service revenue <b>g Total.</b> Add lines 2a-2f		<b>14,979.</b>		
	<b>3</b> Investment income (including dividends, interest and other similar amounts) <b>4</b> Income from investment of tax-exempt bond proceeds <b>5</b> Royalties		<b>3,318.</b>	<b>3,318.</b>	
	<b>6a</b> Gross Rents <b>b</b> Less rental expenses <b>c</b> Rental income or (loss) <b>d</b> Net rental income or (loss)	<b>(i) Real</b> <b>(ii) Personal</b>	<b>798.</b>	<b>798.</b>	
	<b>7a</b> Gross amount from sales of assets other than inventory <b>b</b> Less cost or other basis and sales expenses <b>c</b> Gain or (loss) <b>d</b> Net gain or (loss)	<b>(i) Securities</b> <b>790,017.</b> <b>(ii) Other</b> <b>786,913.</b> <b>3,104.</b>	<b>3,104.</b>	<b>3,104.</b>	
<b>OTHER REVENUE</b>	<b>8a</b> Gross income from fundraising events (not including \$ 303,512. of contributions reported on line 1c) See Part IV, line 18 <b>b</b> Less direct expenses <b>c</b> Net income or (loss) from fundraising events	<b>a</b> 80,750. <b>b</b> 62,355. <b>c</b> 18,395.	<b>18,395.</b>	<b>18,395.</b>	
	<b>9a</b> Gross income from gaming activities See Part IV, line 19 <b>b</b> Less. direct expenses <b>c</b> Net income or (loss) from gaming activities	<b>a</b> <b>b</b>			
	<b>10a</b> Gross sales of inventory, less returns and allowances <b>b</b> Less cost of goods sold <b>c</b> Net income or (loss) from sales of inventory	<b>a</b> <b>b</b>			
	<b>Miscellaneous Revenue</b>	<b>Business Code</b>			
	<b>11a</b> <b>b</b> <b>c</b> <b>d</b> All other revenue <b>e Total.</b> Add lines 11a-11d				
	<b>12 Total Revenue.</b> Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		<b>743,414.</b>	<b>25,615.</b>	<b>0.</b>
					<b>14,979.</b>

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	130,055.	84,536.	6,503.	39,016.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1) and persons described in section 4958(c)(3)(B)	0.	0.	0.	0.
7 Other salaries and wages	191,328.	95,438.	19,208.	76,682.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	48,261.	27,026.	3,861.	17,374.
10 Payroll taxes	25,200.	14,112.	2,016.	9,072.
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting	27,300.		27,300.	
d Lobbying				
e Prof fundraising svcs See Part IV, ln 17				
f Investment management fees				
g Other				
12 Advertising and promotion	700.			700.
13 Office expenses	2,205.	1,235.	176.	794.
14 Information technology				
15 Royalties				
16 Occupancy	35,711.	19,998.	2,857.	12,856.
17 Travel	15,705.	15,705.		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	3,095.	1,733.	248.	1,114.
23 Insurance	6,753.	3,782.	540.	2,431.
24 Other expenses. Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a CONSULTING	140,590.	140,590.		
b PRINTING AND PUBLICATIONS	6,952.	3,893.	556.	2,503.
c POSTAGE AND SHIPPING	6,428.	3,600.	514.	2,314.
d BOARD EXPENSES	6,377.	6,377.		
e NEWSLETTERS	6,000.			6,000.
f All other expenses	20,434.	13,644.	1,234.	5,556.
25 Total functional expenses. Add lines 1 through 24f	673,094.	431,669.	65,013.	176,412.
26 Joint Costs. Check here ► <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

BAA

Form 990 (2008)

**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year
<b>A S S E T S</b>	1 Cash – non-interest-bearing	1,892.	1	1,805.
	2 Savings and temporary cash investments	163,383.	2	519,920.
	3 Pledges and grants receivable, net	112,200.	3	116,007.
	4 Accounts receivable, net		4	
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	16,775.	9	15,160.
	10a Land, buildings, and equipment cost basis	19,705.		
	b Less accumulated depreciation Complete Part VI of Schedule D	16,242.	10c	3,463.
	11 Investments – publicly-traded securities	385,222.	11	68,834.
	12 Investments – other securities See Part IV, line 11		12	
	13 Investments – program-related See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets See Part IV, line 11	2,575.	15	4,410.
	<b>16 Total assets</b> Add lines 1 through 15 (must equal line 34)	688,605.	16	729,599.
<b>L I A B I L I T E S</b>	17 Accounts payable and accrued expenses	74,978.	17	45,653.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow account liability Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable		24	
	25 Other liabilities Complete Part X of Schedule D		25	
	<b>26 Total liabilities</b> Add lines 17 through 25	74,978.	26	45,653.
	<b>NET ASSETS OR FUND BALANCES</b>	<b>Organizations that follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34.</b>		
	27 Unrestricted net assets	460,842.	27	557,359.
	28 Temporarily restricted net assets	152,785.	28	126,587.
	29 Permanently restricted net assets		29	
	<b>Organizations that do not follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 30 through 34.</b>			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, and equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	<b>33 Total net assets or fund balances.</b>	613,627.	33	683,946.
	<b>34 Total liabilities and net assets/fund balances</b>	688,605.	34	729,599.

**Part XI Financial Statements and Reporting**1 Accounting method used to prepare the Form 990.  Cash  Accrual  Other

Yes	No
2a	X
2b	X
2c	
3a	X
3b	

2a Were the organization's financial statements compiled or reviewed by an independent accountant?

b Were the organization's financial statements audited by an independent accountant?

c If 'Yes' to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?

3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?

b If 'Yes,' did the organization undergo the required audit or audits?

## **Public Charity Status and Public Support**

**To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.**

2008

**Open to Public  
Inspection**

**Department of the Treasury  
Internal Revenue Service**

**Name of the organization**

THE EVAN B. DONALDSON ADOPTION  
INSTITUTE, INC.

**Employer identification number**

**Part I** **Reason for Public Charity Status** (All organizations must complete this part.) (see instructions)

The organization is not a private foundation because it is (Please check only one organization.)

- 1  A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i)**.  
2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E)  
3  A hospital or cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**. (Attach Schedule H)  
4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)** Enter the hospital's name, city, and state  
5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II)  
6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.  
7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)  
8  A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II)  
9  An organization that normally receives (1) more than 33-1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions – subject to certain exceptions, and (2) no more than 33-1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2)**. (Complete Part III)  
10  An organization organized and operated exclusively to test for public safety See **section 509(a)(4)**. (see instructions)  
11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)** See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h  
a  Type I      b  Type II      c  Type III – Functionally integrated      d  Type III – Other  
e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**.  
f If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box   
g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	<b>Yes</b>	<b>No</b>
<b>11g (i)</b>		
<b>11g (ii)</b>		
<b>11g (iii)</b>		

**h** Provide the following information about the organizations the organization supports

**BAA**

**BAA FOR Privacy Act and Paperwork Reduction Act Notice:** see the instructions for Form 550.

**Schedule A (Form 990 or 990-EZ) 2008**

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions and membership fees received (Do not include 'unusual grants')	611,022.	641,830.	826,796.	352,309.	702,820.	3,134,777.
2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf						0.
3 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge						0.
4 <b>Total.</b> Add lines 1-3	611,022.	641,830.	826,796.	352,309.	702,820.	3,134,777.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						35,382.
6 <b>Public support.</b> Subtract line 5 from line 4						3,099,395.

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4	611,022.	641,830.	826,796.	352,309.	702,820.	3,134,777.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	1,029.	5,782.	24,223.	23,460.	6,422.	60,916.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						0.
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV.) SEE PART IV	14,355.	1,662.			19,193.	35,210.
11 <b>Total support.</b> Add lines 7 through 10						3,230,903.
12 Gross receipts from related activities, etc (see instructions)					12	0.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	95.9 %
15 Public support percentage for 2007 Schedule A, Part IV-A, line 26f	15	0.0 %
16a 33-1/3 support test – 2008. If the organization did not check the box on line 13, and the line 14 is 33-1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input checked="" type="checkbox"/>
b 33-1/3 support test – 2007. If the organization did not check a box on line 13, or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10%-facts-and-circumstances test – 2008. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10%-facts-and-circumstances test – 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

BAA

Schedule A (Form 990 or 990-EZ) 2008

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal yr beginning in) ►

- 1** Gifts, grants, contributions and membership fees received (Do not include 'unusual grants.')  
**2** Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in a activity that is related to the organization's tax-exempt purpose  
**3** Gross receipts from activities that are not an unrelated trade or business under section 513  
**4** Tax revenues levied for the organization's benefit and either paid to or expended on its behalf  
**5** The value of services or facilities furnished by a governmental unit to the organization without charge  
**6 Total.** Add lines 1-5  
**7a** Amounts included on lines 1, 2, 3 received from disqualified persons  
**b** Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000  
**c** Add lines 7a and 7b  
**8 Public support** (Subtract line 7c from line 6 )

	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1						
2						
3						
4						
5						
<b>6 Total.</b>						
<b>7a</b>						
<b>b</b>						
<b>c</b>						
<b>8 Public support</b>						

**Section B. Total Support**

Calendar year (or fiscal yr beginning in) ►

- 9** Amounts from line 6  
**10a** Gross income from interest, dividends, payments received on securities loans, rents, royalties and income form similar sources  
**b** Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975  
**c** Add Lines 10a and 10b  
**11** Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on  
**12** Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )  
**13 Total support.** (Add Ins 9, 10c, 11, and 12)

<b>14 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here	► <input type="checkbox"/>
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**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	<b>15</b>	%
<b>16</b> Public support percentage from 2007 Schedule A, Part IV-A, line 27g	<b>16</b>	%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	<b>17</b>	%
<b>18</b> Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	<b>18</b>	%

<b>19a 33-1/3 support tests – 2008.</b> If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization	► <input type="checkbox"/>
<b>b 33-1/3 support tests – 2007.</b> If the organization did not check a box on line 14 or 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization	► <input type="checkbox"/>
<b>20 Private foundation.</b> If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions	► <input type="checkbox"/>

13-3904148

Page 4

**Part IV** **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. (see instructions)

**SCHEDULE D**  
**(Form 990)**Department of the Treasury  
Internal Revenue Service**Supplemental Financial Statements**

OMB No 1545-0047

**2008**Open to Public  
Inspection

Name of the organization

**THE EVAN B. DONALDSON ADOPTION**Employer identification number  
**13-3904148****Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts** Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit??	<input type="checkbox"/> Yes	<input type="checkbox"/> No

**Part II Conservation Easements** Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).	<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
	<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
	<input type="checkbox"/> Preservation of open space	
2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year		
a Total number of conservation easements	2a	<b>Held at the End of the Year</b>
b Total acreage restricted by conservation easements	2b	
c Number of conservation easements on a certified historic structure included in (a)	2c	
d Number of conservation easements included in (c) acquired after 8/17/06	2d	
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ► _____		
4 Number of states where property subject to conservation easement is located ► _____		
5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easement it holds?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ► _____		
7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ► \$ _____		
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.		

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets**  
Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items	
b If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items	
(i) Revenues included in Form 990, Part VIII, line 1	► \$ _____
(ii) Assets included in Form 990, Part X	► \$ _____
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:	
a Revenues included in Form 990, Part VIII, line 1	► \$ _____
b Assets included in Form 990, Part X	► \$ _____

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2008

**Part III | Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

- 3** Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)
- |   |   |
|---|---|
| <b>a</b> <input type="checkbox"/> Public exhibition                   | <b>d</b> <input type="checkbox"/> Loan or exchange programs |
| <b>b</b> <input type="checkbox"/> Scholarly research                  | <b>e</b> <input type="checkbox"/> Other _____               |
| <b>c</b> <input type="checkbox"/> Preservation for future generations |   |
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV | Trust, Escrow and Custodial Arrangements** Complete if organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

**1a** Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

**b** If 'Yes,' explain the arrangement in Part XIV and complete the following table

	Amount
<b>1c</b>	
<b>1d</b>	
<b>1e</b>	
<b>1f</b>	

**2a** Did the organization include an amount on Form 990, Part X, line 21?  Yes  No

**b** If 'Yes,' explain the arrangement in Part XIV

**Part V | Endowment Funds** Complete if organization answered 'Yes' to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance					
<b>b</b> Contributions					
<b>c</b> Investment earnings or losses					
<b>d</b> Grants or scholarships					
<b>e</b> Other expenditures for facilities and programs					
<b>f</b> Administrative expenses					
<b>g</b> End of year balance					

**2** Provide the estimated percentage of the year end balance held as

- a** Board designated or quasi-endowment ► \_\_\_\_\_ %
- b** Permanent endowment ► \_\_\_\_\_ %
- c** Term endowment ► \_\_\_\_\_ %

**3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by

- (i) unrelated organizations  
(ii) related organizations

	Yes	No
<b>3a(i)</b>		
<b>3a(ii)</b>		
<b>3b</b>		

**b** If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?

**4** Describe in Part XIV the intended uses of the organization's endowment funds

**Part VI | Investments—Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book Value
<b>1a</b> Land				
<b>b</b> Buildings				
<b>c</b> Leasehold improvements				
<b>d</b> Equipment	13,556.		13,168.	388.
<b>e</b> Other	6,149.		3,074.	3,075.

**Total.** Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c)) ► 3,463.

BAA

Schedule D (Form 990) 2008

**Part VII Investments–Other Securities** See Form 990, Part X, line 12. N/A

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other _____		
-----		
-----		
-----		
-----		
-----		
-----		
Total. (Column (b) should equal Form 990 Part X, col. (B) line 12) ►		

**Part VIII Investments—Program Related** (See Form 990, Part X, line 13) N/A

**Total Column (b)(should equal Form 990, Part X, Col. (B) line 13.) ►**

**Total. Column (b) Total (should equal Form 990, Part X, col (B), line 15)**

**Part X Other Liabilities (See Form 990, Part X, line 25)**

**Total. Column (b) Total (should equal Form 990, Part X, col. (B) line 25)**

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

**Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements**

1 Total revenue (Form 990, Part VIII, column (A), line 12)	743,414.
2 Total expenses (Form 990, Part IX, column (A), line 25)	673,094.
3 Excess or (deficit) for the year. Subtract line 2 from line 1	70,320.
4 Net unrealized gains (losses) on investments	
5 Donated services and use of facilities	
6 Investment expenses	
7 Prior period adjustments	
8 Other (Describe in Part XIV)	
9 Total adjustments (net) Add lines 4-8	
10 Excess or (deficit) for the year per financial statements Combine lines 3 and 9	70,320.

#### **Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

1	Total revenue, gains, and other support per audited financial statements	1	797,514.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	54,100.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	54,100.
3	Subtract line 2e from line 1	3	743,414.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12 )	5	743,414.

**Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

<b>1</b>	Total expenses and losses per audited financial statements	<b>1</b>	<b>727,194.</b>
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25		
<b>a</b>	Donated services and use of facilities	<b>2a</b>	54,100.
<b>b</b>	Prior year adjustments	<b>2b</b>	
<b>c</b>	Losses reported on Form 990, Part IX, line 25	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIV)	<b>2d</b>	
<b>e</b>	Add lines <b>2a</b> through <b>2d</b>	<b>2e</b>	54,100.
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b>	<b>3</b>	673,094.
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
<b>a</b>	Investments expenses not included on Form 990, Part VIII, line 7b	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIV)	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b>	<b>4c</b>	
<b>5</b>	Total expenses Add lines <b>3</b> and <b>4c</b> (This should equal Form 990, Part I, line 18.)	<b>5</b>	673,094.

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4; Part X; Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b.

**Part XIV Supplemental Information (continued)**

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**SCHEDULE G**  
**(Form 990 or 990-EZ)**

## **Supplemental Information Regarding Fundraising or Gaming Activities**

OMB No 1545 0047

2008

Open to Public  
Inspection

Department of the Treasury  
Internal Revenue Service

- Must be completed by organizations that answer 'Yes' to Form 990, Part IV, lines 17, 18, or 19, and by organizations that enter more than \$15,000 on Form 990-EZ, line 6a.

Name of the organization THE EVAN B. DONALDSON ADOPTION INSTITUTE, INC.

**Employer identification number**  
13-3904148

**Part I Fundraising Activities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 17.

- 1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.

<input type="checkbox"/> Mail solicitations	<input type="checkbox"/> Solicitation of non-government grants
<input type="checkbox"/> Email solicitations	<input type="checkbox"/> Solicitation of government grants
<input type="checkbox"/> Phone solicitations	<input checked="" type="checkbox"/> Special fundraising events
<input type="checkbox"/> In-person solicitations	

- 2a** Did the organization have written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?

Yes  No

- b** If 'Yes,' list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. Form 990EZ filers are not required to complete this table.

- 3** List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

NY MA CA

**Part II Fundraising Events.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

	<b>(a) Event #1</b> SPRING (event type)	<b>(b) Event #2</b> LA EVENT (event type)	<b>(c) Other Events</b> (total number)	<b>(d) Total Events</b> (Add col (a) through col (c))
1 Gross receipts	316,812.	67,450.		384,262.
2 Less Charitable contributions	255,062.	48,450.		303,512.
3 Gross revenue (line 1 minus line 2)	61,750.	19,000.		80,750.
4 Cash prizes				
5 Non-cash prizes				
6 Rent/facility costs				
7 Other direct expenses	60,988.	1,367.		62,355.
8 Direct expense summary Add lines 4 through 7 in column (d)				► 62,355.
9 Net income summary Combine lines 3 and 8 in column (d)				► 18,395.

**Part III Gaming.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

	<b>(a) Bingo</b>	<b>(b) Pull tabs/Instant bingo/progressive bingo</b>	<b>(c) Other gaming</b>	<b>(d) Total gaming</b> (Add col (a) through col (c))
1 Gross revenue				
2 Cash prizes				
3 Non-cash prizes				
4 Rent/facility costs				
5 Other direct expenses				
6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
7 Direct expense summary. Add lines 2 through 5 in column (d)				►
8 Net gaming income summary Combine lines 1 and 7 in column (d)				►

9 Enter the state(s) in which the organization operates gaming activities \_\_\_\_\_

YES	NO
9a	

a Is the organization licensed to operate gaming activities in each of these states?

b If 'No,' Explain:

--	--

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?

10a	
-----	--

b If 'Yes,' Explain:

--	--

11 Does the organization operate gaming activities with nonmembers?

11	
----	--

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?

12	
----	--

**13** Indicate the percentage of gaming activity operated in:

- a The organization's facility
- b An outside facility

	YES	NO
13a	%	
13b	%	

**14** Provide the name and address of the person who prepares the organization's gaming/special events books and records

Name ► \_\_\_\_\_

Address: ► \_\_\_\_\_

**15a** Does the organization have a contact with a third party from whom the organization receives gaming revenue?

- b If 'Yes,' enter the amount of gaming revenue received by the organization \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party \$ \_\_\_\_\_

- c If 'Yes,' enter name and address

Name ► \_\_\_\_\_

Address ► \_\_\_\_\_

**16** Gaming manager information

Name ► \_\_\_\_\_

Gaming manager compensation ► \$ \_\_\_\_\_

Description of services provided ► \_\_\_\_\_

Director/officer

Employee

Independent contractor

**17** Mandatory distributions

- a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?

17a

- b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ \_\_\_\_\_

**SCHEDULE O**  
**(Form 990)**Department of the Treasury  
Internal Revenue Service**Supplemental Information to Form 990**

OMB No 1545-0047

**2008**Open to Public  
InspectionName of the organization **THE EVAN B. DONALDSON ADOPTION  
INSTITUTE, INC.**Employer identification number  
**13-3904148****FORM 990, PART III, LINE 4A - PROGRAM SERVICE ACCOMPLISHMENTS**

THE MISSION OF THE EVAN B. DONALDSON ADOPTION INSTITUTE IS VERY CLEAR. IT IS NOT JUST TO CONDUCT RESEARCH, PROVIDE EDUCATION PROGRAMS OR FORMULATE POLICIES FOR THE SAKE OF IMPROVING THE UNDERSTANDING OF ADOPTION ISSUES - THOUGH THAT IS AN ESSENTIAL STARTING POINT.

RATHER, WE FOCUS ALL OF OUR WORK ON INITIATIVES THAT ACCOMPLISH TWO CONCRETE OBJECTIVES: TANGIBLY IMPROVING THE DAILY LIVES OF EVERYONE TOUCHED BY ADOPTION, AND HELPING CHILDREN WHO NEED PERMANENT, LOVING FAMILIES. NO OTHER ORGANIZATION IS COMMITTED TO SUCH SWEEPING, ETHICS-BASED, CHANGE-THE-WORLD WORK.

THE ADOPTION INSTITUTE ACCOMPLISHES ITS VITAL MISSION THROUGH UNIQUE PROGRAMS AND PROJECTS, CONFERENCES, EVENTS, RESEARCH, BOOKS AND PUBLICATIONS.

**FORM 990, PART VI, LINE 4 - SIGNIFICANT CHANGES TO ORGANIZATIONAL DOCUMENTS**

CHANGES WERE MADE IN THE AMENDED BY-LAWS CONCERNING:

COMPOSITION OF BOARD

ELECTION OF DIRECTORS

ESTABLISHMENT OF COMMITTEES

HONORARY BOARD

CONFLICT OF INTEREST

**FORM 990, PART VI, LINE 10 - FORM 990 REVIEW PROCESS**

THE ORGANIZATION'S EXECUTIVE DIRECTOR AND TREASURER REVIEWED PRIOR TO FILING AND THE FINANCE COMMITTEE AND FULL BOARD WILL RECEIVE COPIES FOR REVIEW.

Name of the organization THE EVAN B. DONALDSON ADOPTION  
INSTITUTE, INC.

Employer identification number  
13-3904148

**FORM 990, PART VI, LINE 12C - EXPLANATION OF MONITORING AND ENFORCEMENT OF C**

BOARD REVIEW OF EXISTING RELATIONSHIPS AND SIGNING OF OFFICIAL "CONFLICT OF  
INTEREST" STATEMENT AT THE START OF EACH FISCAL YEAR

**FORM 990, PART VI, LINE 15B - COMPENSATION REVIEW & APPROVAL PROCESS FOR OFFICERS & KEY EMPLOYEES**

EXECUTIVE DIRECTOR CONDUCTS PERFORMANCE REVIEW AND MAKES ASSESSMENTS BASED ON THOSE  
FACTORS.

**FORM 990, PART VI, LINE 19 - OTHER ORGANIZATION DOCUMENTS PUBLICLY AVAILABLE**

BY REQUEST

**2008**

**SCHEDULE A, PART IV - SUPPLEMENTAL INFORMATION PAGE 5**  
**THE EVAN B. DONALDSON ADOPTION  
INSTITUTE, INC.**

**13-3904148**

**PART II, LINE 10 - OTHER INCOME**

<u>NATURE AND SOURCE</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
MISCELLANEOUS INCOME	<u>19,193.</u>			<u>1,662.</u>	<u>14,355.</u>
TOTAL	<u>\$ 19,193.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 1,662.</u>	<u>\$ 14,355.</u>

**Evan B. Donaldson Adoption Institute, Inc.  
Financial Statements  
June 30, 2009**

Index

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**Gary S. Eisenkraft**  
Certified Public Accountant

274 Madison Avenue, Suite 1106, New York, N.Y. 10016  
Telephone (212) 689-2655 Fax (646) 619-4723  
[gary@eisenkraftcpa.com](mailto:gary@eisenkraftcpa.com)

**Independent Auditor's Report**

To the Board of Directors  
of Evan B. Donaldson Adoption  
Institute, Inc.

I have audited the accompanying statement of financial position of Evan B. Donaldson Adoption Institute, Inc., as of June 30, 2009, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Evan B. Donaldson Adoption Institute, Inc., as of June 30, 2009, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



November 20, 2009

**Evan B. Donaldson Adoption Institute, Inc.**  
**Statement of Financial Position**  
**June 30, 2009**

**Assets**

Current Assets	
Cash	\$ 521,725
Investments	68,834
Program service fees receivable	1,835
Prepaid expenses	15,160
Grants and contributions receivable	116,007
Security deposits	<u>2,575</u>
	726,136
Property and Equipment, net	3,463
	<u><u>\$ 729,599</u></u>

**Liabilities and Net Assets**

Current Liabilities	
Accounts payable and accrued expenses	\$ 45,653
Net Assets	
Unrestricted	557,359
Temporarily restricted	<u>126,587</u>
	<u>683,946</u>
	<u><u>\$ 729,599</u></u>

See notes to these financial statements and independent auditor's report

**Evan B. Donaldson Adoption Institute, Inc.**  
**Statement of Activities**  
**For the Year Ended June 30, 2009**

	<u>Temporarily Restricted</u>	<u>Unrestricted</u>	<u>Total</u>
<b>Support and revenue</b>			
Contributions - cash unrestricted	\$ -	\$ 663,570	\$ 663,570
temporarily restricted	120,000	-	120,000
Less Direct costs of special events	-	(62,355)	(62,355)
	<u>120,000</u>	<u>601,215</u>	<u>721,215</u>
Contributions - services	-	54,100	54,100
Speakers' Fees	-	11,650	11,650
Other program service income	-	3,329	3,329
Royalties	-	798	798
Investment income	-	3,318	3,318
Realized gain on investments	-	3,104	3,104
Satisfaction of program restrictions	(146,198)	146,198	-
	<u>(146,198)</u>	<u>823,712</u>	<u>797,514</u>
			<u>(54,100)</u>
			<u>743,414</u>
<b>Expenses</b>			
Program services	-	485,769	485,769
Supporting services			
General and administrative	-	65,014	65,014
Fund-raising	-	176,412	176,412
	<u>-</u>	<u>241,426</u>	<u>241,426</u>
Total expenses	-	727,195	727,195
Increase (decrease) in net assets	(26,198)	96,517	70,319
Beginning net assets	152,785	460,842	613,627
Ending net assets	<u>\$ 126,587</u>	<u>\$ 557,359</u>	<u>\$ 683,946</u>

E 11,979

See notes to these financial statements and independent auditor's report

- 3 -

Gary S. Eisenkraft  
Certified Public Accountant

**Evan B. Donaldson Adoption Institute, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2009**

**Cash Flows from Operating Activities**

Increase in net assets	\$ 70,319
Adjustment to increase in net assets to net cash provided by operating activities	
Depreciation and amortization	3,095
Increase (decrease) in	
Prepaid expenses	1,615
Program service fees receivable	(1,835)
Grants and contributions receivable	(3,807)
Increase (decrease) in	
Accounts payable accrued expenses	<u>(29,325)</u>
Net cash used by operating activities	<u>40,062</u>

**Cash Flows from Investing Activities**

Net sales of investments	316,388
Net cash used by investing activities	<u>316,388</u>
Increase in Cash	356,450
Beginning Cash	165,275
Ending Cash	<u>\$ 521,725</u>

See notes to these financial statements and independent auditor's report

Evan B Donaldson Adoption Institute, Inc.  
 Statement of Functional Expenses  
 Year Ended June 30, 2009

	<u>Program Services</u>	<u>Supporting Services</u>	<u>General and Administrative</u>	<u>Fund-Raising</u>	<u>Direct Costs of Special Event</u>	<u>Total</u>
Salaries and wages	\$ 179,974	\$ 25,711	\$ 115,698	\$ -	\$ 321,383	/
Payroll taxes	14,112	2,016	9,072	-	25,200	/
Employee benefits	27,026	3,861	17,374	-	48,261	/
Payroll processing	526	75	338	-	939	/
Consulting	194,690	-	-	-	194,690	
Event planner and waitstaff	-	-	-	-	40,273	
Rent	19,998	2,857	12,856	-	35,710	/
Accounting fees	-	27,300	-	-	27,300	/
Travel, meals and lodging	15,705	-	-	-	17,530	/
Printing and reproduction	3,893	556	2,503	7,573	14,525	/
Postage and delivery	3,600	514	2,314	1,278	7,707	
Insurance	3,782	540	2,431	-	6,754	
Board expenses	6,377	-	-	-	6,377	/
Newsletters	-	-	6,000	-	6,000	/
Telephone	3,238	463	2,082	-	5,783	
Equipment rental	-	-	-	5,159	5,159	
Bank charges	4,534	-	-	-	4,534	
Venue	-	-	-	-	4,000	4,000
Office and other	1,235	176	794	1,707	3,912	
Depreciation expense	1,733	248	1,114	-	3,095	/
Dues, subscriptions, fees	1,527	218	981	-	2,726	/
Computer expenses	1,276	182	820	-	2,278	/
Utilities	1,158	165	744	-	2,067	/
Maintenance	919	131	591	-	1,641	
Advertising	-	-	700	-	700	
Photography	466	-	-	540	540	
Gifts	-	-	-	466	466	
	485,769	65,014	176,412	62,355	789,550	
Less expenses deducted from revenues on statement of changes in net assets	-	-	-	(62,355)	(62,355)	
	\$ 485,769	\$ 65,014	\$ 176,412	-	\$ 727,195	

See notes to these financial statements and independent auditor's report

**Evan B. Donaldson Adoption Institute, Inc.**  
**Notes to Financial Statements**  
**June 30, 2009**

**Note 1 - Nature of Activities and Summary of Significant Accounting Policies**

**Nature of Activities**

Evan B. Donaldson Adoption Institute, Inc. (the Institute)'s mission is to provide leadership that improves adoption laws, policies and practices - through sound research, education, advocacy - in order to improve the lives of everyone touched by adoption. In order to achieve its goals, the Institute conducts and synthesizes research, offers education to inform public opinion, promotes ethical practices and legal reforms, and works to translate policy into action.

The Institute was incorporated in the State of New York in 1996.

**Basis of Accounting**

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

**Revenue**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the existence and / or nature of any donor restrictions. The Institute has not received any contributions with donor-imposed restrictions that would result in permanently restricted net assets.

Program service income is recognized when earned.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Property and Equipment**

Property and equipment are recorded at cost or, if donated, the approximate fair value at the date of donation. Depreciation is provided on the straight line method over the estimated useful lives of the assets.

**Income Taxes**

Evan B. Donaldson Adoption Institute, Inc., is exempt from federal income taxes under section 501(c) (3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the accompanying financial statement.

**Evan B. Donaldson Adoption Institute, Inc.**  
**Notes to Financial Statements**  
**June 30, 2009**

**Note 1- (Continued)**

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between the program and supporting services benefited.

Cash and Cash Equivalents

The Institute considers all highly liquid debt instruments purchased with maturities of three months or less to be cash equivalents.

Concentrations

The Institute maintained cash balances in financial institutions that exceeded federally insured limits. The Institute has not experienced any losses related to these accounts and believes it is not exposed to significant credit risk.

**Note 2 - Donated Services**

Donated services consist of

Consulting	<u>\$ 54,100</u>
------------	------------------

**Note 3 – Property and Equipment**

Property and equipment consists of

Computer equipment	\$ 13,556
Furniture & fixtures	<u>\$ 6,149</u>
	<u>19,705</u>
Less accumulated depreciation and amortization	<u>(16,242)</u>
	<u>\$ 3,463</u>

Depreciation expense was \$3,095 for the year ended June 30, 2009.

**Note 4 – Investments**

Investments consisted of the following at market value on June 30, 2009

Certificates of deposit	\$ 68,615
Equities	<u>219</u>
	<u>\$ 68,834</u>

See independent auditor's report

- 7 -

**Gary S. Eisenkraft**  
Certified Public Accountant

**Evan B. Donaldson Adoption Institute, Inc.**  
**Notes to Financial Statements**  
**June 30, 2009**

**Note 5 – Temporarily Restricted Contributions**

Temporarily restricted net assets by revenue source and changes therein for the year ended June 30, 2009, were as follows

	<u>Balance June 30, 2008</u>	<u>Additions</u>	<u>Releases From Restrictions</u>	<u>Balance June 30, 2009</u>
<u>Restricted by purpose</u>				
Research Assistant Intern	4,140	-	4,140	-
Educating Adoptive Parents Project	59,678	-	49,153	10,524
Educate the Media Project	10,000	-	10,000	-
Adoption by Gays and Lesbians Project	43,480	-	27,417	16,063
GLBT Adoption Rights	487	-	488	-
Foster Care Research	15,000	10,000	25,000	-
Post-Adoption Services Research	20,000	-	20,000	-
Senior Fellows Conclave	-	10,000	10,000	-
Educating Prospective Adoptive Parents	-	100,000	-	100,000
	<u>\$ 152,785</u>	<u>\$ 120,000</u>	<u>\$ 146,198</u>	<u>\$ 126,587</u>

**Note 6 – Commitments**

The Institute leases office space under a long term operating lease that expires April 1, 2010

At June 30, 2009, 2007 future minimum annual lease obligations are

Year ending June 30, 2010    **\$26,000**

Rent expense was \$31,000 for the year ended June 30, 2009

**Note 7 – Related Party Transactions**

A lease for office space (see note 6) is between the Institute and an organization. An Institute board of directors member also serves as an overseer of the lessor's controlling foundation. Rent paid to that organization was \$31,000 for the year ended June 30, 2009.

The Institute leases property from its executive director for use as a Massachusetts office on a month to month basis. Rent paid was \$3,300 for the year ended June 30, 2009.